

6/22/01

## **Commodity Fruit and Vegetable Specifications and Standards Review**

We want to hear from you...

USDA wants your input into our review of **fruit and vegetable** specifications and standards for the commodity products we offer to schools and needy households. The goal of this review is to better suit your needs and to bring our commodity specifications and standards more in line, where possible, with their commercial counterparts. Our dual mission, which is to strengthen America's nutrition safety net and support domestic agriculture, may always result in some commodity specifications and standards that are different from their commercial counterparts. USDA's special nutritional goals, food safety concerns, Buy American requirements, and program structure all have to be taken into consideration. We want to try, however, to get our commodities close to commercial standards as we possibly can.

Please send us your ideas on how we could make our commodity **fruit and vegetable** specifications and standards better suit your needs, with the understanding that we want to follow commercial standards as much as possible. We would appreciate your ideas about issues such as product size, packaging, nutrition composition, inspection, testing, food safety, and labeling. We are particularly interested in hearing from our partners and stakeholders at the school, recipient agency, State agency, and warehouse levels.

We also want your feedback on the table below. It outlines suggestions we have received from the fruit and vegetable industry on changes they want to see in our commodity specifications and standards. The table also outlines our initial reactions/comments to their suggestions. Please do not consider our comments to be USDA's final position on these issues. Keep in mind that our thinking may change over time as we do further research and receive your feedback.

Please send us your ideas for commodity specification and standards changes that you would like to see, as well as comments on the table below by **July 20<sup>th</sup>, 2001**.

Comments can be sent via e-mail to **FDD-PST@FNS.USDA.GOV**, or faxed to us at **(703) 305-1410**.

### **The Commodity Fruit and Vegetable Specifications Review Team**

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	<b>F&amp;V Specification and Standards Issues</b>	<b>USDA's Comments</b>
	<b>Inspection Issues</b>	
1a.	<i>Case Stamping:</i> Allow cases of USDA commodity to be stamped as inspected by AMS inspectors in lieu of checking the product as it is loaded on the truck for delivery (also known as “checkloading”).	With approval of the AMS Processed Products Branch, USDA is allowing AMS inspectors to stamp cases of certain manufacturer's products in lieu of checkloading. Checkloading will still be required in instances where AMS feels it is necessary to ensure program integrity.
1b.	Extend the time period for which the Agricultural Marketing Service (AMS) inspector's stamp on manufacturer cases of commodities is valid. This will reduce inspection costs and give vendors more flexibility with shipping times.	USDA will extend the time period that USDA case stamps are valid from the current 14 days to 28 days. <i>(Please note: This will not apply to products that are destination inspected—such as most fresh produce).</i>
2.	<i>Buy American:</i> The USDA domestic origin traceability requirements for “Buy American” are overly cumbersome. (USDA requires each vendor to have documentation on hand that traces each product to the individual grower and field.)	USDA will not be lessening current “Buy American” requirements for commodities in light of past problems with non-domestic product and its mandate to ensure support for domestic agriculture. It has however, been working to shorten the timeframes for resolving instances where the vendor's “Buy American” documentation is insufficient.
	<b>Packaging Issues</b>	
3.	<i>Shrink Wrap:</i> Allow the use of shrink-wrap for tray packs and pallets.	USDA is allowing shrink-wrapped tray packs and pallets as a manufacturer's option for all bonus purchases. In the future, it is likely that shrink-wrapped tray packs and pallets will also be phased in as a manufacturer's option for all F&V purchases.
4.	<i>Heavy syrup</i> —not light syrup—is the industry standard for canned fruit.	After examining this issue over the past two years, USDA has determined that, for nutritional reasons, it will continue to purchase canned fruit in light syrup whenever possible. On occasion USDA may purchase fruit of another specification if the light syrup requirement would delay a purchase or when fruit in light syrup is not available.

5.	<i>Box Strengths:</i> USDA's bursting strength requirements for secondary containers of frozen fruit do not follow industry standards set by the Fiber Box Association.	USDA will review the current commercial bursting strength standards for secondary containers and will attempt to incorporate them as appropriate.
6.	<i>Case Markings:</i> Eliminate excessive markings on outer cases—six lines of text on all four sides of each box are not the industry's standard.	USDA is reviewing its requirements for markings on outer cases for all commodity products and moving towards commercial standards whenever possible.
7a.	<i>Salsa:</i> Consider offering a milder version of commodity salsa.	USDA will look into the feasibility of offering both a hot and mild salsa chosen on the basis of taste tests.
7b.	Consider allowing 16 oz. glass jars and 4/1 gallon plastic bottles of salsa in addition to #10 cans.	USDA needs feedback from industry on commercial standards for this product and feedback from customers on preferred container sizes and types. Schools and recipient agencies have expressed concerns that glass jars present safety and disposal problems; are heavier than other containers; and do not hold up under rough conditions. We will also be looking into other potential container types such as plastic and poly bags to see whether industry standards exist for them and whether their use is appropriate in the commodity programs.
8.	<i>Spaghetti Sauce:</i> Please consider adding 12/26 oz. glass jars as an alternative to the 303 household size cans.	USDA wants feedback from industry on commercial standards for this product and feedback from customers on preferred container sizes and types. In the past, our customers have expressed concern that glass jars present safety and disposal problems; are heavier than other containers; and do not hold up under the rough conditions experienced in the household nutrition programs (where multiple warehousing and product transported home by the recipient is common). We will also look into other potential containers including plastic and poly bags to see whether industry standards exist for them and whether they meet commodity program needs.
9.	<i>Frozen Peaches:</i> The tamper-evident neckband on 2 lb. tubs makes the required foil/mylar seal unnecessary.	We are giving vendors the option to drop the foil/mylar seal or the tamper-evident neckband, but not both.

10.	<p><i>Raisins:</i> Consider replacing the 144/1.33 oz. size with a 144/1.5 oz. size.</p> <p>Replace the 6/5 lb. bags with a 30 lb. poly-lined case.</p>	USDA will likely move to the 144/1.5 oz size if it is the industry standard. We want feedback from our customers on raisin packaging preferences and will be looking into how well they suit our program needs.
11.	<p><i>Trail Mix:</i> Consider developing a 1 oz. carton of trail mix and a 144/1 oz. case.</p>	USDA wants feedback from customers on preferred container sizes for trail mix. It will also need to look into packaging costs.
12.	<p><i>Grape Fruit:</i> For US #1 grade Florida grapefruit, the commercial standard is 4/5 bushel carton and sizes 23/27/32/36/40/48/56</p>	We will conduct further review on this issue and will likely move to the 4/5 bushel carton for grapefruit if it is the industry standard.
13.	<p><i>Pineapple Juice:</i></p> <p>There has been a significant migration from 46 oz. cans to plastic bottles in 32, 46, 64, and 98 oz. sizes.</p> <p>A popular pineapple juice in California is 8/64 juice in PET plastic bottles—it is not made from concentrate and it is Vitamin C fortified.</p>	USDA wants feedback from customers on the type and size of container they prefer. We will look into whether the plastic containers are an industry standard, their cost, and how well they suit commodity program needs.
<b>Testing Issues</b>		
14.	<p><i>Commercial Labs:</i> Let manufacturers use commercial laboratories or their own in-house labs to perform AMS' required lab tests of finished product.</p>	USDA labs will continue to be used for testing of finished product in order to ensure consistent and reliable results. We want continued manufacturer feedback on whether USDA labs cause substantial delays. If this is found to be the case, we will revisit the issue.
<b>Other Issues:</b>		
15a.	<p><i>Improved Communication:</i> Manufacturers want an easier way of giving USDA suggestions for new products, new packaging ideas, and specification changes.</p>	We will explore the possibility of creating a feedback mechanism on its new web site being developed to allow the public a single point of access to all USDA commodity program information. The new web site could contain a feedback page for receiving ideas from stakeholders and partners on new products, packaging, specification changes, and other issues.
15b.	<p>USDA should notify manufacturers of Amendments to Invitations by the Internet rather than by fax.</p>	USDA is currently doing both.

16.	<i>Standardize Proof of Delivery:</i> For destination quoted bids, USDA should require warehouses receiving shipments of commodities from a manufacturer to fax the signed Bill of Lading directly back to that manufacturer so they can get paid by AMS. This action would avoid the problem of manufacturers having to wait for carriers to send them the Bill of Lading signed by the warehouse as verification of proof of delivery. This process can take several weeks, particularly when dealing with independent carriers.	AMS believes that signed Bills of Lading are necessary to ensure program integrity and to verify that USDA product has actually reached its destination. USDA does not believe warehouses should be required to fax a copy of signed Bills of Lading to the manufacturer. This would be expensive for States/recipient agencies because they would need to amend their current warehouse contracts, and warehouses would charge for the additional service.
17.	<i>Truckload Standards for Citrus:</i> USDA should vary its truckload standard for the number of cartons it allowed for citrus fruits to take into account the average weight of the fruit from year to year. It should allow more cartons per truckload in years when the average fruit is smaller and fewer cartons in years when the fruit is larger and heavier.	We are examining our truckload standards for citrus fruit and are interested in knowing how they could best meet both school and industry needs. We know that, for planning purposes, States, schools, and recipient agencies want to know the exact number of cases of citrus they are to receive. We would be interested in feedback from schools on how varying the amounts of product per truckload would effect their menu planning systems.
18.	<i>Purchase Excess Inventories:</i> Use entitlement funds to regularly purchase excess product that is in inventory from previous years.	To ensure highest quality for its customers, USDA will continue to purchase fruit and vegetable product from the most current crop year whenever possible. USDA will continue to use Section 32 “bonus” money to purchase excess inventories of surplus product as appropriate.

*I:Spec Review Folder: F&V Web Sum 6-22-01*